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FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2723
INFO RUEHXS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RHHMUNA/USPACOM HONOLULU HI

UNCLAS MANILA 002744

SIPDIS

STATE FOR OES/ENRC - Mark Johnson, EAP/MTS, EAP/RSP
STATE PASS USTR
STATE PASS USAID FOR AA/ANE, AA/EGAT
BANGKOK FOR RDMA
USFS FOR CMACKIE
USPACOM FOR FPA

E.O. 12958: N/A

TAGS: [SENV](#) [EAID](#) [EAGR](#) [ETRD](#) [EINV](#) [BTIO](#) [RP](#)

SUBJECT: Philippines Responds to Lacey Act Implementation

REF: STATE 126654

¶1. Summary: Directors of three Philippine bureaus involved in forestry issues expressed appreciation for our bringing to their attention the Lacey Act amendments and the commitment of the government of the Philippines to impede illegal logging. They also enumerated the challenges Philippine industry will face in attempting to comply with the Act. The Philippine government has electronically disseminated the Act's provisions. End Summary.

¶2. The Philippine Forest Management Bureau responded positively to the amended Lacey Act and immediately linked its website, <http://forestry.denr.gov.ph>, to the Act's key points and the APHIS website. The Bureau disseminated the information to its regional field offices and concerned stakeholders.

¶3. The Forest Management Bureau's Director voiced concern about the challenge Philippine exporters will have when required to declare the source of the raw materials. For example, Philippine manufacturers import around 64% of their wood requirement (logs, lumber, veneer, plywood, and secondary processed wood products) from Solomon Islands, Malaysia, Australia, Papua New Guinea, Canada, and the United States. The intermixed species and sources of materials in the exported products may be hard to ascertain.

¶4. EconOff met with Philippine Plant Animal and Wildlife Bureau Director Mundita Lim, who applauded the role that the Act will play in retarding global deforestation, but expressed doubt about the documentation on Philippine sources of lumber. Although the Department of Environment and Natural Resources has checkpoints throughout the Philippines, lumber harvesters sometimes fake permits or illegally reuse legitimate permits. The Department of Environment and Natural Resources is working to install a system to end this abuse, but Lim does not have confidence in the current system's integrity, nor can she project when the new system will be in place. At the present time, although paperwork covering Philippine-sourced wood materials may appear legitimate, a final product may still contain illegally harvested wood. Even the manufacturer of the product might have no way of being certain that its inputs are legitimate.

¶5. The Bureau of Plant Industry's Director characterized the Act as a "righteous bill that protects the United States and supports other countries' efforts to combat illegal logging." Leaders in his Bureau under the Philippine Department of Agriculture agree with the Act's intent, but sent a list of comments which Post will transmit to OES, APHIS, and FAS. The Bureau is particularly interested in definitions and how non-compliant shipments will be treated, and is very interested in following the issue and learning the details of implementation plans as soon as they become available.

KENNEY